					ST. DEPARTMENT DIVISION OF		URAL RESC				AMENDED	FORM REPORT	13	
APPLICATION FOR PERMIT TO DRILL										1. WELL NAME and N	JMBER			
										Three	Rivers Fed	3-34T-82	0	
2. TYPE	OF WORK	DRILL NEW \	WELL 📵 REEI	NTER P&A WE	ELL DEEPEN V	WELL 🔵	)			3. FIELD OR WILDCA	THREE RIVE	RS		
4. TYPE	OF WELL		Oil Well	Coalbed M	ethane Well: NO				:	5. UNIT or COMMUNI	FIZATION AG	REEMEN	IT NAME	
6. NAME	OF OPERATO	DR	ULTF	RA RESOURCE	ES INC					7. OPERATOR PHONE	303 645-98	309		
8. ADDR	ESS OF OPER		4 Inverness Way S	outh #295, E	Englewood, CO, 8011	12			!	9. OPERATOR E-MAII kbot	t@ultrapetro	leum.com	1	
	RAL LEASE N AL, INDIAN, OI		994		MINERAL OWNERSI EDERAL (III) INDI	HIP IAN	STATE (	) FEE		12. SURFACE OWNER: FEDERAL INI	450	STATE [	) FEI	E ( )
13. NAM		CE OWNER (if bo								14. SURFACE OWNER	R PHONE (if I	oox 12 = '	fee')	
15. ADD	RESS OF SUR	FACE OWNER (i	if box 12 = 'fee')							16. SURFACE OWNER	R E-MAIL (if I	box 12 =	'fee')	
		OR TRIBE NAM	E		INTEND TO COMMI		RODUCTION	N FROM		19. SLANT				
(if box 1	2 = 'INDIAN')	•					ng Application	on) NO [		VERTICAL DIF	RECTIONAL (	) ног	RIZONTA	
20. LOC	CATION OF WI	ELL		FOOTA	AGES	QTR	R-QTR	SECTI	ON	TOWNSHIP	RANG	E	MER	RIDIAN
LOCATI	ON AT SURF	ACE		2308 FSL	1322 FEL	NE	ESE	3		8.0 S	20.0 E			S
Top of	Uppermost P	roducing Zone		2620 FNL	1980 FEL	SV	MNE	3		8.0 S	20.0 E			S
At Tota	I Depth			2620 FNL	1980 FEL	SV	MNE	3		8.0 S	20.0 E S		S	
21. COU	NTY	UINTAH			DISTANCE TO NEAR	132	22	·		23. NUMBER OF ACRI	ES IN DRILLII 40	NG UNIT		
					DISTANCE TO NEAR optied For Drilling o		eted)	POOL	:	26. PROPOSED DEPTI MC		D: 6810		
27. ELE\	ATION - GRO	UND LEVEL		28.	BOND NUMBER					29. SOURCE OF DRIL WATER RIGHTS APPR			I ICARI I	
		4803				UTB000	0593			WATER MONTO ALTR	43-1098		LIOABLI	_
				7	Hole, Casing,	, and Ce	ement Info	rmation						
String	Hole Size	Casing Size	Length	Weight	Grade & Threa	ad	Max Mud	Wt.		Cement Sacks Yield We			Weight	
Cond	20	16	0 - 100	109.0	C-75 Casing/Tu		0.0			Unknown		0	0.0	0.0
Surf	11	8.625	0 - 1000	24.0	J-55 LT&C		8.8			Class G		550	1.16	15.8
Prod	7.875	5.5	0 - 4904 4904 - 6904	17.0	J-55 LT&C N-80 LT&C		10.0		Halliburton Light , Type Unknown 225 3.54  Halliburton Premium , Type Unknown 450 1.35			11.0		
						TTACHN				, , ,				
						TIACIII	WIENTS							
	V	ERIFY THE FO	LLOWING ARE	ATTACHE	D IN ACCORDANG	CE WITH	H THE UTA	AH OIL ANI	D GAS	CONSERVATION G	ENERAL R	ULES		
<b>1</b>	WELL PLAT OF	R MAP PREPARE	D BY LICENSED SI	JRVEYOR OF	R ENGINEER		COMPLETE DRILLING PLAN							
AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)							FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER							
DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)							TOPOGRAPHICAL MAP							
NAME Don Hamilton TITLE Permitting Age						ng Agent				<b>PHONE</b> 435 719-2	018			
SIGNAT	URE				DATE 11/25/20	014				EMAIL starpoint@e	tv.net			
	MBER ASSIGN 10475507				APPROVAL				B	My20.				
									Pe	ermit Manager				

#### ULTRA RESOURCES, INC.

#### **8 - POINT DRILLING PROGRAM**

Slim Hole Design 8 5/8" Surface & 5 ½" Production Casing Design

**DATED: 11-03-14** 

**Three Rivers Fed 3-34T-820** 

SHL: Sec 3 (NESE) T8S R20E

Uintah, Utah

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations and the approved Application for Permit to Drill (APD). The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

#### 1. Formation Tops

The estimated tops of important geologic markers are as follows:

Formation Top	Top (TVD)	Comments
Uinta	Surface	
BMSW	1,475' MD / 1,475' TVD	
Green River	2,790' MD / 2,750' TVD	
Mahogany	4,165' MD / 4,075' TVD	
Garden Gulch	4,769' MD / 4,675' TVD	Oil & Associated Gas
Lower Green River*	4,934' MD / 4,840' TVD	Oil & Associated Gas
Wasatch	6,704' MD / 6,610' TVD	Oil & Associated Gas
TD	6,904' MD / 6,810' TVD	

#### Asterisks (\*) denotes target pay intervals

All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished to the appropriate agencies. Oil and gas shows will be adequately tested for commercial possibilities, reported and protected by casing and cement.

#### 2. BOP Equipment

- **A)** The BOPE shall be closed whenever the well is unattended. The appropriate agencies will be notified 24 hours prior to all BOPE pressure tests.
- **B**) The BOPE shall be closed whenever the well is unattended.
- C) All BOPE connections subjected to well pressure will be flanged, welded, or clamped.

#### D) Choke Manifold

- 1) Tee blocks or targeted 'T's will be used and anchored to prevent slip and reduce vibration.
- 2) Two adjustable chokes will be used in the choke manifold.
- 3) All valves (except chokes) in kill line choke manifold and choke line will not restrict the flow.
- 4) Pressure gauges in the well control system will be designed for drilling fluid.

#### **E**) BOPE Testing:

- 1) BOPE shall be pressure tested when initially installed, whenever any seal subject to pressure testing is broken, or after repairs.
- 2) All BOP tests will be performed with a test plug in place.
- 3) BOP will be tested to full stack working pressure and annular preventer to 50% stack working pressure.

<u>INTERVAL</u> 0 - 1,000' MD / 1,000' TVD 1,000' MD / 1,000' TVD - 6,904' MD / 6,810' TVD

#### **BOP EQUIPMENT**

11" Diverter with Rotating Head 3,000# Ram Double BOP & Annular with Diverter & Rotating Head

NOTE: Drilling spool to accommodate choke and kill lines.

#### 3. Casing and Float Equipment Program

#### **CASING:**

Directional Well	Hole Size	OD	Depth MD/TVD	Wt.	Grade & Connection	Cond.
Conductor	20"	16"	+/- 100' MD / 100' TVD	109.0 ppf	C-75	New
Surface	11"	8 5/8"	1,000' MD / 1,000' TVD	24.0 ppf	J-55, LTC	New
Production (Top)	7 7/8"	5 ½"	4,904' MD / 4,810' TVD	17.0 ppf	J-55, LTC	New
Production (Bottom)	7 7/8'	5 ½'	6,904'MD / 6,810' TVD	17.0 ppf	N/L-80, LTC	New

RECEIVED: November 25, 2014

Three Rivers Fed 3-34T-820

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#### **CASING SPECIFICATIONS:**

Directional Well	Casing OD	Casing ID / Drift ID	Collapse (psi)	Int. Yield (psi)	Ten. Yield (lb)	Jt. Strength (lb)
Surface	8 5/8"	8.097" / 7.972"	1,370	2,950	381,000	244,000
Production (Top)	5 ½"	4.892" / 4.767"	4,910	5,320'	273,000	229,000
Production (Bottom)	5 ½"	4.892"/ 4.767"	6,280	7,740	397,000	348,000

#### FLOAT EQUIPMENT:

SURFACE (8 5/8") Float Shoe, 1 joint casing, float collar

Centralizers: 1 each 1<sup>st</sup> 4 Joints then every 4<sup>th</sup> joint to surface

PRODUCTION (5 ½") Float Shoe, 1 joint casing, float collar

Centralizers: 1 each 1<sup>st</sup> 4 Joints then every 3<sup>rd</sup> joint to 500' into surface casing

#### 4. <u>Cementing Programs</u>

CONDUCTOR (13 %") Ready Mix – Cement to surface

SURFACE (8 5/8") Cement Top - Surface

Surface – 1,000' MD / 1,000' TVD± 550 sks Glass G Cement w/ additives, 15.8 ppg, 1.16 cf/sx, 50% excess

Note: The above volumes are based on a gauge-hole + 50% excess.

**PRODUCTION** (5 ½") Cement Top – 500'

500' - 4,000' TVD ± Lead: 225 sks – Econocem Cement w/ 0.25 lbm Poly-E-Flake, 1%

Granulite TR ¼, 5 lbm Kol-Seal; 11.0 ppg; 3.54 cf/sx; 15% excess

4,000' - 6,904' MD / 6,810' TVD Tail: 450 sks, Expandacem Cement w/ 0.25 lbm Poly-E-Flake, 1 lbm

Granulite TR ¼, 2 lbm Kol-Seal; 14.0 pp; 1.349 cf/sk; 15% excess

Note: Lead Cement will be brought to 4,000' which will give a minimum of 500' above Lower Green River.

- A) For Surface casing, if cement falls or does not circulate to surface, cement will be topped off.
- B) Cement will not be placed down annulus with a 1" pipe unless BLM is contacted.
- C) The appropriate agencies will be notified 24 hours prior to running casing and cementing.
- **D)** All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe (minimum of 8 hours) prior to drilling out.
- E) Prior to drilling out cement, casing will be pressure tested to 1500 psi. Pressure decline must not be greater than 10% (150 psi) in 30 minutes.
- **F**) "Sundry Notices and Reports on Wells", shall be filed with the appropriate agencies within 30 days after the work in completed.
- G) Setting of each string of casing, size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
- **H)** Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.
- I) A pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed after drilling 5-10 feet of new hole.

Three Rivers Fed 3-34T-820

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#### 5. Mud Program

The proposed circulating mediums to be employed in drilling are as follows:

Interval	Mud Type	Viscosity	Fluid Loss	pН	Mud Wt. (ppg)
0 – 1,000' MD / 1,000' TVD	Water/Spud Mud	32	No Control (NC)	7.0 -8.2	<8.8
1,000' MD / 1,000' TVD - 6,904' MD / 6,810' TVD	DAP System	40 - 60	10 - 18	7.0-8.2	<10.0

- A) Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.
- **B)** The mud monitoring equipment on location will be installed by top of Green River and will be able to monitor at a minimum the pit volume totalizer (PVT), stroke counter, and flow sensor
- C) Flare line discharge will be located no less than 100 feet from the wellhead using straight or targeted 'T' and anchors.

#### 6. Evaluation Program - Testing, Logging, and Coring

- **A)** Cores: None anticipated.
- **B)** Testing: None anticipated.
- C) Directional Drilling: Directional tools will be used to locate the bottom hole per the attached directional plan +/-.
- **D)** Open Hole Logs: TD to surface casing: resistivity, neutron density, gamma ray and caliper.
- E) Mud Logs: None anticipated.
- F) Formation to TD; record and monitor gas shows and record drill times (normal mud logging duties).

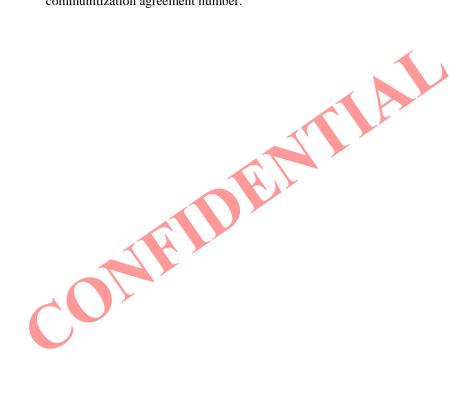
#### 7. Anticipated Pressures and H.S.

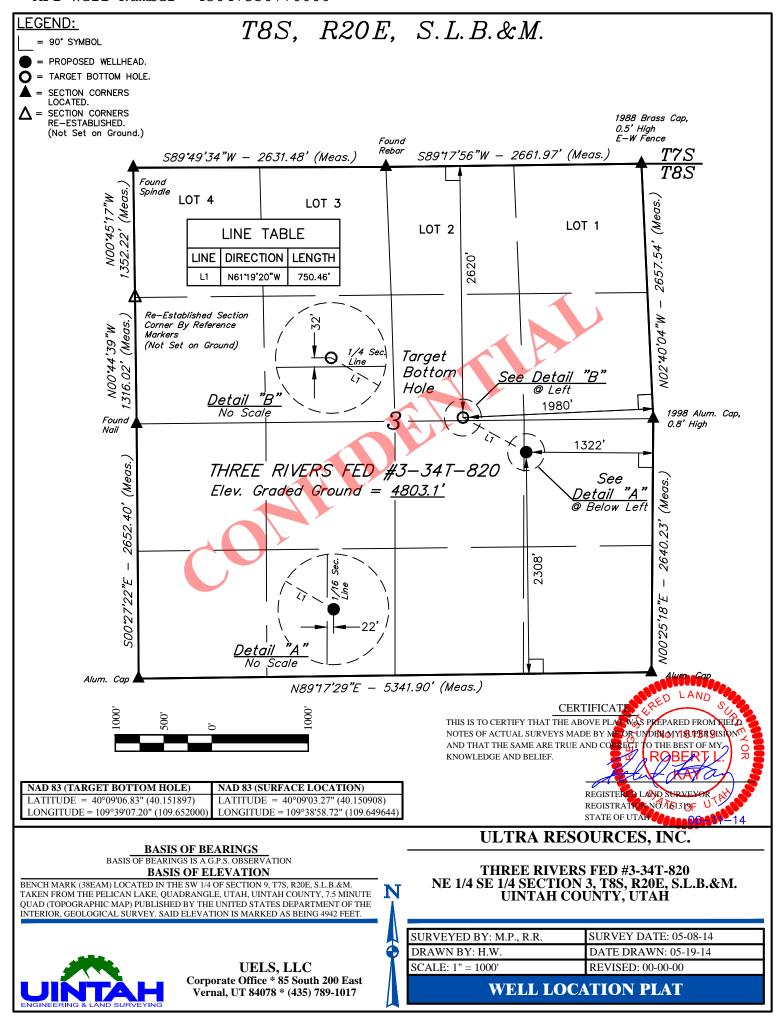
- A) The expected bottom hole pressure is 3,500 3,650 psig. Normal pressures are anticipated from surface to approximately TD. These pressures will be controlled by a blowout preventer stack, annular BOP, choke manifold, mud/gas separator, surface equipment and drilling mud. A supply of barite to weight the mud to a balancing specific gravity, if necessary, will be on location.
- **B)** Maximum expected surface pressure will be based on the frac gradient of the casing shoe. The design of the casing assumes that the MASP will be the fracture pressure at the shoe less a column of gas.
- C) No hydrogen sulfide gas is anticipated, however if H<sub>2</sub>S is encountered, published guidelines will be complied with.

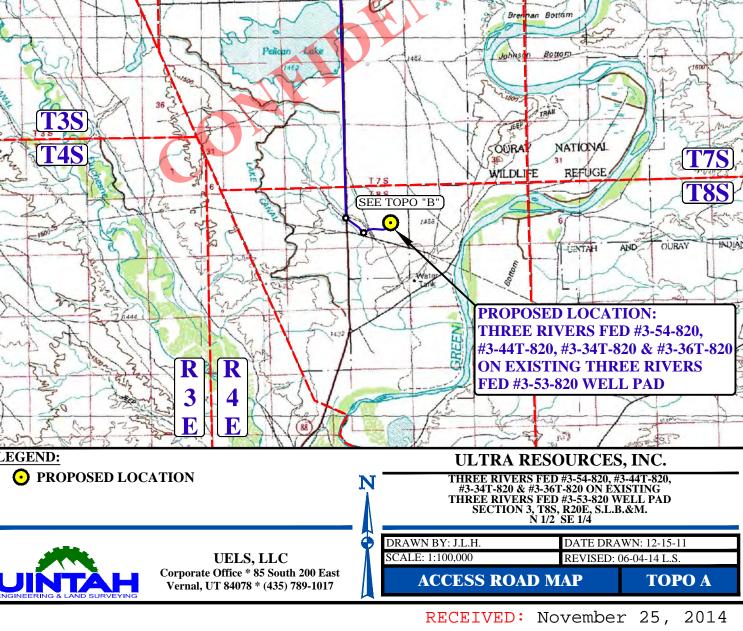
#### 8. Other Information and Notification Requirements

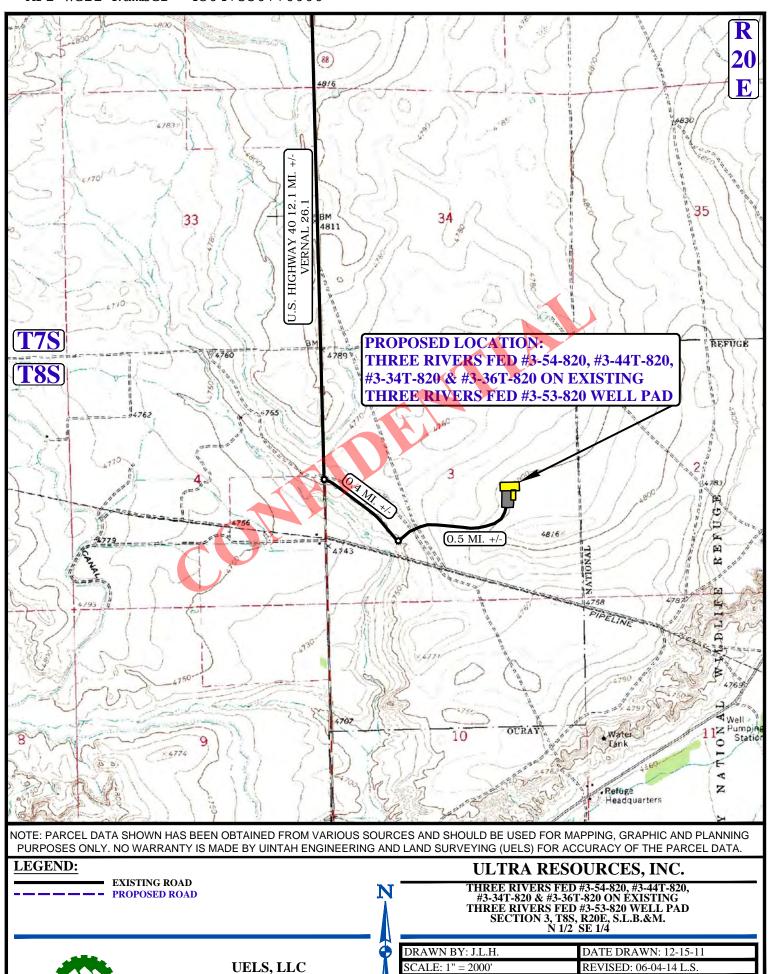
- **A**) There shall be no deviation from the proposed drilling plan as approved. Any changes in operation must have prior approval from the appropriate agency.
  - 1) Anticipated starting date will be upon approval. It is anticipated that completion operations will begin within 15 days after the well has been drilled.
  - 2) It is anticipated that the drilling and completion of this well will take approximately 90 days.
- **B**) Agency required notifications will be followed as outline in the approved APD.
- C) Should the well be successfully completed for production, the appropriate agencies must be notified when it is placed in a producing status. The notification shall provide, as a minimum, the following information items:

- Operator name, address, and telephone number.
- . Well name and number.
- Well location (1/4 1/4, Section, Township, Range and Meridian)
- Date well was placed in a producing status (date of first production for which royalty will be paid).
- The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
- The lease prefix and number on which the well is located. As appropriate, the unit agreement name, number and participating area name. As appropriate, the communitization agreement number.







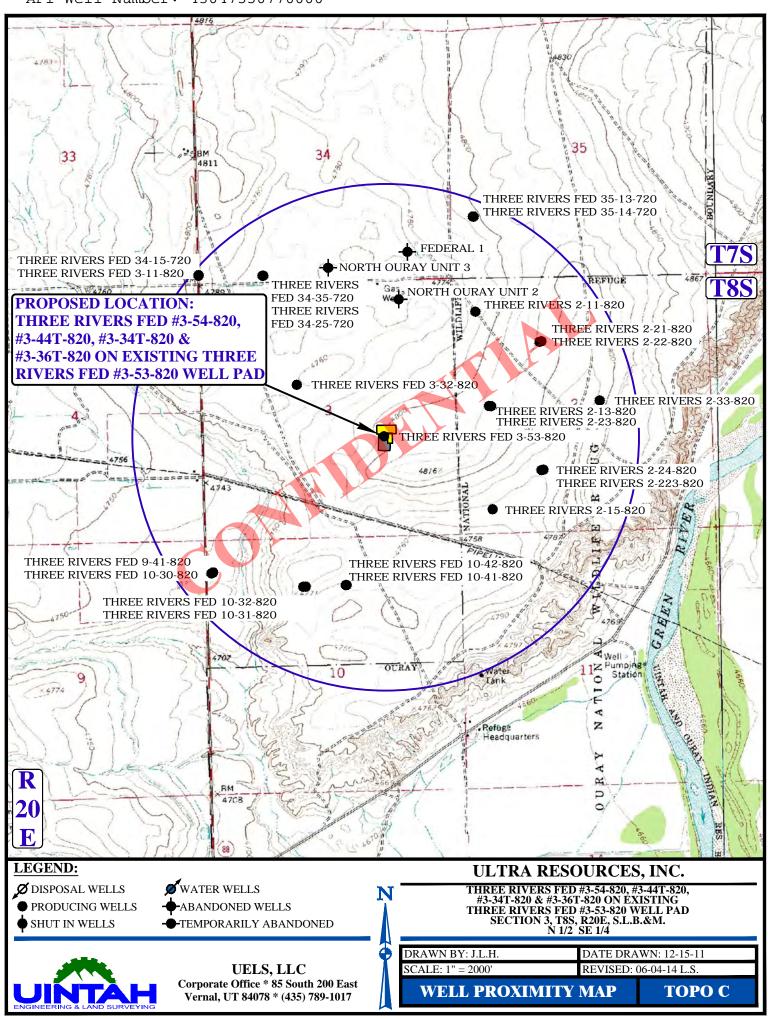


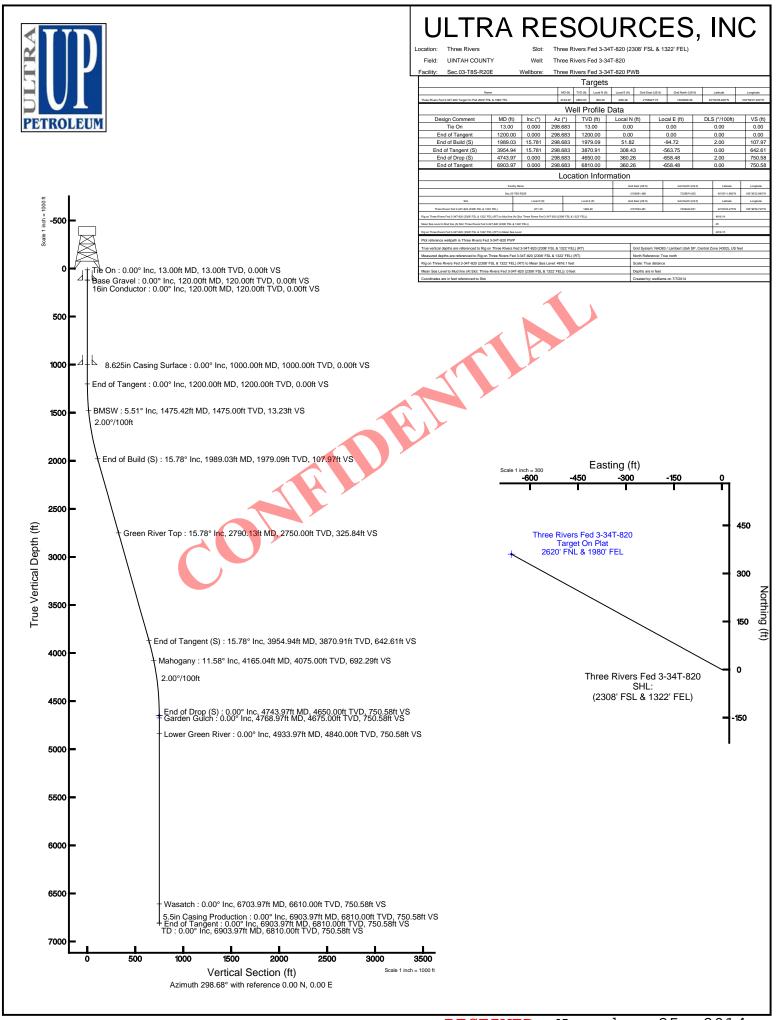
Corporate Office \* 85 South 200 East

Vernal, UT 84078 \* (435) 789-1017

TOPO B

**ACCESS ROAD MAP** 





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API Well Number: 43047550770000



#### **Planned Wellpath Report**

Three Rivers Fed 3-34T-820 PWP





REFERENC	REFERENCE WELLPATH IDENTIFICATION							
Operator	ULTRA RESOURCES, INC	Slot	Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL)					
Area	Three Rivers	Well	Three Rivers Fed 3-34T-820					
Field	UINTAH COUNTY	Wellbore	Three Rivers Fed 3-34T-820 PWB					
Facility	Sec.03-T8S-R20E							

REPORT SETUP INFORM	REPORT SETUP INFORMATION								
Projection System	NAD83 / Lambert Utah SP, Central Zone (4302), US feet	Software System	WellArchitect® 3.0.0						
North Reference	True	User	Ewilliams						
Scale	0.999914	Report Generated	7/7/2014 at 10:17:50 AM						
Convergence at slot	n/a	Database/Source file	WellArchitectDB/Three_Rivers_Fed_3-34T-820_PWB.xml						

WELLPATH LOCATION							
Local coordinates Grid coo				oordinates	Geographic coordinates		
	North[ft]	East[ft]	Easting[US ft]	Northing[US ft]	Latitude	Longitude	
Slot Location	-871.20	1884.60	2157593.48	7229042.83	40°09'03.270"N	109°38'58.720"W	
Facility Reference Pt			2155691.49	7229874.94	40°09'11.880"N	109°39'22.990"W	
Field Reference Pt			2156630.96	7236613.42	40°10'18.270"N	109°39'09.100"W	
			· ·				

WELLPATH DATU	M	
Calculation method	Minimum curvature	Rig on Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL) (RT) to Facility Vertical Datum
Horizontal Reference Pt	Slot	Rig on Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL) (RT) to Mean Sea Level
Vertical Reference Pt	Rig on Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL) (RT	Rig on Three Rivers Fed 3-34T-820 (2308 FSL & 1322 FEL) (RT) to Mud Line at Slot (Three Rivers Fed 3-34T-820 (2308 FSL & 1
MD Reference Pt	Rig on Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL) (RT	Section Origin
Field Vertical Reference	Mean Sea Level	Section Azimuth



Planned Wellpath Report Three Rivers Fed 3-34T-820 PWP Page 2 of 5



REFERENC	REFERENCE WELLPATH IDENTIFICATION							
Operator	ULTRA RESOURCES, INC	Slot	Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL)					
Area	Three Rivers	Well	Three Rivers Fed 3-34T-820					
Field	UINTAH COUNTY	Wellbore	Three Rivers Fed 3-34T-820 PWB					
Facility	Sec.03-T8S-R20E	[						

WELLPATH D	ATA (82 stations	) † = interpo	olated/extrapol	ated station						
MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect	North [ft]	East [ft]	Latitude	Longitude	DLS [º/100ft]	Comments
0.00†	0.000	298.683	0.00	0.00		0.00	40°09'03.270"N	109°38'58.720"W	0.00	
13.00	0.000	298.683	13.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	ĺ
113.00†	0.000	298.683	113.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	1
120.00†	0.000	298.683	120.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	Base Gravel
213.00†	0.000	298.683	213.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
313.00†	0.000	298.683	313.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
413.00†	0.000	298.683	413.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
513.00†	0.000	298.683	513.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
613.00†	0.000	298.683	613.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
713.00†	0.000	298.683	713.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
813.00†	0.000	298.683	813.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
913.00†	0.000	298.683	913.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
1013.00†	0.000	298.683	1013.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
1113.00†	0.000	298.683	1113.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
1200.00	0.000	298.683	1200.00	0.00	0.00	0.00	40°09'03.270"N	109°38'58.720"W	0.00	
1213.00†	0.260	298.683	1213.00	0.03	0.01	-0.03	40°09'03.270"N	109°38'58.720"W	2.00	
1313.00†	2.260	298.683	1312.97	2.23	1.07	-1.95	40°09'03.281"N	109°38'58.745"W	2.00	
1413.00†	4.260	298.683	1412.80	7.91	3.80	-6.94	40°09'03.308"N	109°38'58.809"W	2.00	
1475.42†	5.508	298.683	1475.00	13.23	6.35	-11.61	40°09'03.333"N	109°38'58.869"W		BMSW
1513.00†	6.260	298.683	1512.38	17.08	8.20	-14.99	40°09'0 <mark>3.35</mark> 1"N	109°38'58.913"W	2.00	
1613.00†	8.260	298.683	1611.57	29.72	14.26	-26.07	40°09'03.411"N	109°38'59.056"W	2.00	
1713.00†	10.260	298.683	1710.26	45.81	21.99	-40.19	40°09'03.487"N	109°38'59.238"W	2.00	
1813.00†	12.260	298.683	1808.33	65.33	31.36	-57.32	40°09'03.580"N	109°38'59.458"W	2.00	
1913.00†	14.260	298.683	1905.66	88.27	42.37	-77.44	40°09'03.689"N	109°38'59.717"W	2.00	
1989.03	15.781	298.683	1979.09	107.97	51.82	-94.72	40°09'03.782"N	109°38'59.940"W	2.00	
2013.00†	15.781	298.683	2002.16	114.49		-100.44	40°09'03.813"N	109°39'00.014"W	0.00	
2113.00†	15.781	298.683	2098.39	141.69	68.01	124.30	40°09'03.942"N	109°39'00.321"W	0.00	
2213.00†	15.781	298.683	2194.62	168.88	81.06	-148.16	40°09'04.071"N	109°39'00.628"W	0.00	
2313.00†	15.781	298.683	2290.85	196.08	94.11	-172.02	40°09'04.200"N	109°39'00.935"W	0.00	
2413.00†	15.781	298.683	2387.08	223.27	107.16	-195.87	40°09'04.329"N	109°39'01.242"W	0.00	
2513.00†	15.781	298.683	2483.31	250.47	120.22	-219.73	40°09'04.458"N	109°39'01.550"W	0.00	
2613.00†	15.781	298.683	2579.54	277.66	133.27	-243.59	40°09'04.587"N	109°39'01.857"W	0.00	
2713.00†	15.781	298.683	2675.78	304.86		-267.45	40°09'04.716"N	109°39'02.164"W	0.00	
2790.13†	15.781	298.683	2750.00	325.84	156.39	-285.85	40°09'04.815"N	109°39'02.401"W		Green River Top
2813.00†	15.781	298.683	2772.01	332.06	159.38	-291.31	40°09'04.845"N	109°39'02.471"W	0.00	
2913.00†	15.781	298.683	2868.24	359.25	172.43	-315.17	40°09'04.974"N	109°39'02.779"W	0.00	
3013.00†	15.781	298.683	2964.47	386.45	185.48	-339.02	40°09'05.103"N	109°39'03.086"W	0.00	
3113.00†	15.781	298.683	3060.70	413.64	198.54	-362.88	40°09'05.232"N	109°39'03.393"W	0.00	Į
3213.00†	15.781	298.683	3156.93	440.84	211.59	-386.74	40°09'05.361"N	109°39'03.700"W	0.00	
3313.00†	15.781	298.683	3253.16	468.03	224.64	-410.60	40°09'05.490"N	109°39'04.008"W	0.00	ļ
3413.00†	15.781	298.683	3349.39	495.23	237.69	-434.46	40°09'05.619"N	109°39'04.315"W	0.00	
3513.00†	15.781	298.683	3445.62	522.42	250.75	-458.31	40°09'05.748"N	109°39'04.622"W	0.00	
3613.00†	15.781	298.683	3541.86	549.62	263.80	-482.17	40°09'05.877"N	109°39'04.929"W	0.00	
3713.00†	15.781	298.683	3638.09	576.81	276.85	-506.03	40°09'06.006"N	109°39'05.237"W	0.00	ļ
3813.00†	15.781	298.683	3734.32	604.01	289.91	-529.89	40°09'06.135"N	109°39'05.544"W	0.00	



## Planned Wellpath Report Three Rivers Fed 3-34T-820 PWP Page 3 of 5



REFERENC	REFERENCE WELLPATH IDENTIFICATION								
Operator	ULTRA RESOURCES, INC	Slot	Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL)						
Area	Three Rivers	Well	Three Rivers Fed 3-34T-820						
Field	UINTAH COUNTY	Wellbore	Three Rivers Fed 3-34T-820 PWB						
Facility	Sec.03-T8S-R20E								

WELLPATH D	ATA (82 station	s) † = interp	olated/extrapo	lated station						
MD [ft]	Inclination [°]	Azimuth [°]	TVD [ft]	Vert Sect [ft]	North [ft]	East [ft]	Latitude	Longitude	DLS [°/100ft]	Comments
3913.00†	15.781	298.683	3830.55	631.20	302.96	-553.75	40°09'06.264"N	109°39'05.851"W	0.00	
3954.94	15.781	298.683	3870.91	642.61	308.43	-563.75	40°09'06.318"N	109°39'05.980"W	0.00	
4013.00†	14.619	298.683	3926.94	657.83	315.74	-577.11	40°09'06.390"N	109°39'06.152"W	2.00	
4113.00†	12.619	298.683	4024.12	681.38	327.04	-597.76	40°09'06.502"N	109°39'06.418"W	2.00	
4165.04†	11.579	298.683	4075.00	692.29	332.28	-607.33	40°09'06.553"N	109°39'06.541"W	2.00	Mahogany
4213.00†	10.619	298.683	4122.06	701.52	336.71	-615.43	40°09'06.597"N	109°39'06.646"W	2.00	
4313.00†	8.619	298.683	4220.65	718.23	344.73	-630.09	40°09'06.677"N	109°39'06.834"W	2.00	
4413.00†	6.619	298.683	4319.77	731.49	351.09	-641.72	40°09'06.739"N	109°39'06.984"W	2.00	
4513.00†	4.619	298.683	4419.28	741.28	355.79	-650.31	40°09'06.786"N	109°39'07.095"W	2.00	
4613.00†	2.619	298.683	4519.08	747.59	358.82	-655.85	40°09'06.816"N	109°39'07.166"W	2.00	
4713.00†	0.619	298.683	4619.03	750.42	360.18	-658.33	40°09'06.829"N	109°39'07.198"W	2.00	
4743.97	0.000	298.683	4650.00 <sup>1</sup>	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	2.00	
4768.97†	0.000	298.683	4675.00	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	Garden Gulch
4813.00†	0.000	298.683	4719.03	750.58	360.26	-658.48	40°09'06.830"N	/ 109°39'07.200"W	0.00	
4913.00†	0.000	298.683	4819.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
4933.97†	0.000	298.683	4840.00	750.58	360.26	-658.48	40°09'06.830"N	109°39 <b>'0</b> 7.200"W	0.00	Lower Green River
5013.00†	0.000	298.683	4919.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
5113.00†	0.000	298.683	5019.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
5213.00†	0.000	298.683	5119.03	750.58	360.26	-658.48	40°09'06.8 <mark>30</mark> "N	109°39'07.200"W	0.00	
5313.00†	0.000	298.683	5219.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
5413.00†	0.000	298.683	5319.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
5513.00†	0.000	298.683	5419.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
5613.00†	0.000	298.683	5519.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
5713.00†	0.000	298.683	5619.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
5813.00†	0.000	298.683	5719.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
5913.00†	0.000	298.683	5819.03	750.58	360.26	-658,48	40°09'06.830"N	109°39'07.200"W	0.00	
6013.00†	0.000	298.683	5919.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6113.00†	0.000	298.683	6019.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6213.00†	0.000	298.683	6119.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6313.00†	0.000	298.683	6219.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6413.00†	0.000	298.683	6319.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6513.00†	0.000	298.683	6419.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6613.00†	0.000	298.683	6519.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6703.97†	0.000	298.683	6610.00	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W		Wasatch
6713.00†	0.000	298.683	6619.03	750,58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6813.00†	0.000	298.683	6719.03	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	
6903.97	0.000	298.683	6810.00	750.58	360.26	-658.48	40°09'06.830"N	109°39'07.200"W	0.00	TD

Page 4 of 5

API Well Number: 43047550770000



#### **Planned Wellpath Report**

Three Rivers Fed 3-34T-820 PWP Page 4 of 5



REFERENCE WELLPATH IDENTIFICATION					
Operator	ULTRA RESOURCES, INC Slot Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL)				
Area	Three Rivers	Well	Three Rivers Fed 3-34T-820		
Field	UINTAH COUNTY	Wellbore	Three Rivers Fed 3-34T-820 PWB		
Facility	Sec.03-T8S-R20E	[			

HOLE & CASING SECTIONS - Ref Wellbore: Three Rivers Fed 3-34T-820 PWB Ref Wellpath: Three Rivers Fed 3-34T-820 PWP									
String/Diameter	Start MD [ft]	End MD [ft]	Interval [ft]	Start TVD [ft]	End TVD [ft]	Start N/S [ft]	Start E/W [ft]	End N/S [ft]	End E/W [ft]
16in Conductor	13.00	120.00	107.00	13.00	120.00	0.00	0.00	0.00	0.00
12.25in Open Hole	120.00	1000.00	880.00	120.00	1000.00	0.00	0.00	0.00	0.00
8.625in Casing Surface	13.00	1000.00	987.00	13.00	1000.00	0.00	0.00	0.00	0.00
7.875in Open Hole	1000.00	6903.97	5903.97	1000.00	6810.00	0.00	0.00	360.26	-658.48
5.5in Casing Production	13.00	6903.97	6890.97	13.00	6810.00	0.00	0.00	360.26	-658.48

TARGETS									
Name	MD [ft]	TVD [ft]	North [ft]	East [ft]	Grid East [US ft]	Grid North [US ft]	Latitude	Longitude	Shape
1) Three Rivers Fed 3-34T-820 Target On Plat 2620' FNL & 1980' FEL	4743.97	4650.00		-658.48	2156927.75	7229389.36	40°09'06.830"N	109°39'07.200"W	point
	O								



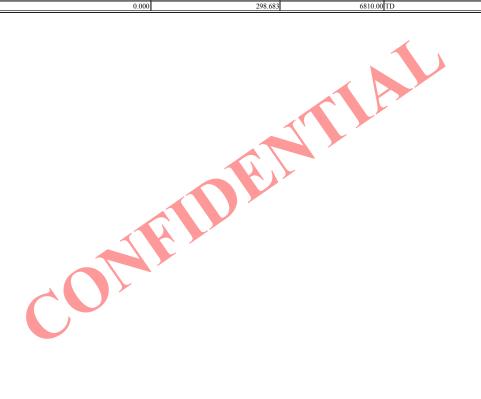
#### **Planned Wellpath Report**

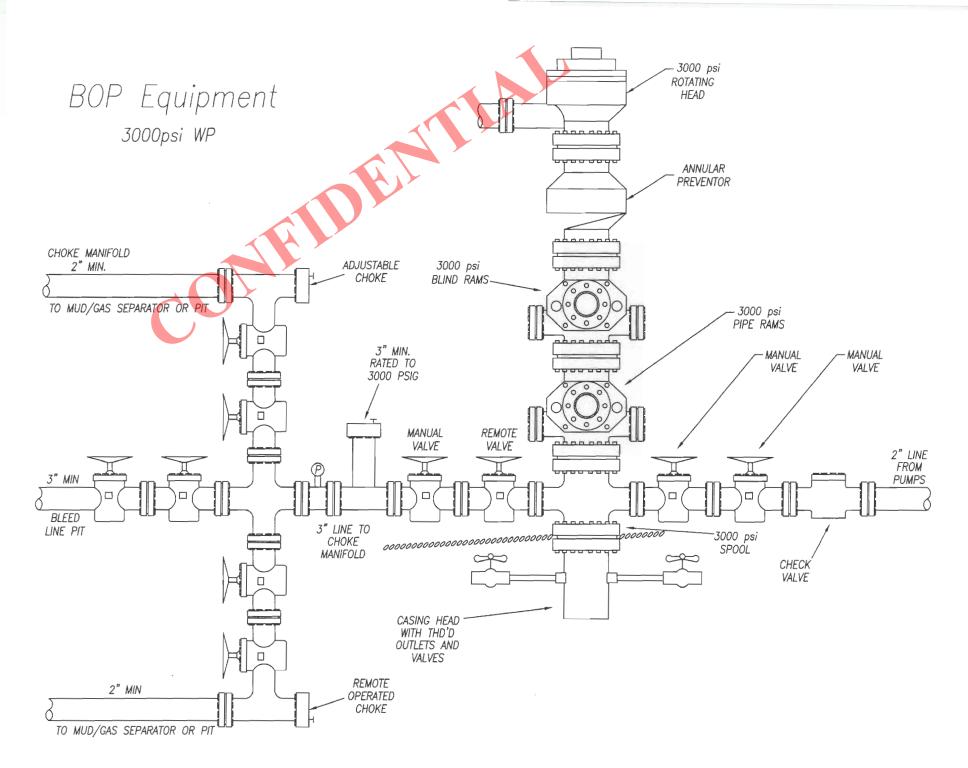
Three Rivers Fed 3-34T-820 PWP Page 5 of 5



REFERENCE WELLPATH IDENTIFICATION					
Operator	ULTRA RESOURCES, INC Slot Three Rivers Fed 3-34T-820 (2308' FSL & 1322' FEL)				
Area	Three Rivers	Well	Three Rivers Fed 3-34T-820		
Field	UINTAH COUNTY	Wellbore	Three Rivers Fed 3-34T-820 PWB		
Facility	Sec.03-T8S-R20E	[			

WELLPATH COMMENTS	ELLPATH COMMENTS							
MD	Inclination	Azimuth	TVD	Comment				
[ft]	[°]	[°]	[ft]					
120.00	0.000	298.683	120.00	Base Gravel				
1475.42	5.508	298.683	1475.00	BMSW				
2790.13	15.781	298.683	2750.00	Green River Top				
4165.04	11.579	298.683	4075.00	Mahogany				
4768.97	0.000	298.683	4675.00	Garden Gulch				
4933.97	0.000	298.683	4840.00	Lower Green River				
6703.97	0.000	298.683	6610.00	Wasatch				
6903.97	0.000	298.683	6810.00	TD				







## Ultra Resources, Inc.

November 12, 2014

Mr. Dustin Doucet
Utah Division of Oil, Gas & Mining
1594 West North Temple
Salt Lake City, Utah 84116

RE: Request for Exception to Spacing
Three Rivers Fed 3-34T-820

Surface Location: 2308' FSL & 1322' FEL, NESE, Sec. 3, T8S, R20E Target Location: 2620' FNL & 1980' FEL, SWNE, Sec. 3, T8S, R20E

SLB&M, Uintah County, Utah

Dear Mr. Doucet:

Ultra Resources, Inc. ("Ultra") respectfully submits this request for exception to spacing (Docket No. 2013-030 / Cause No. 270-02) based on geology since the well is located less than 100 feet to the drilling unit boundary.

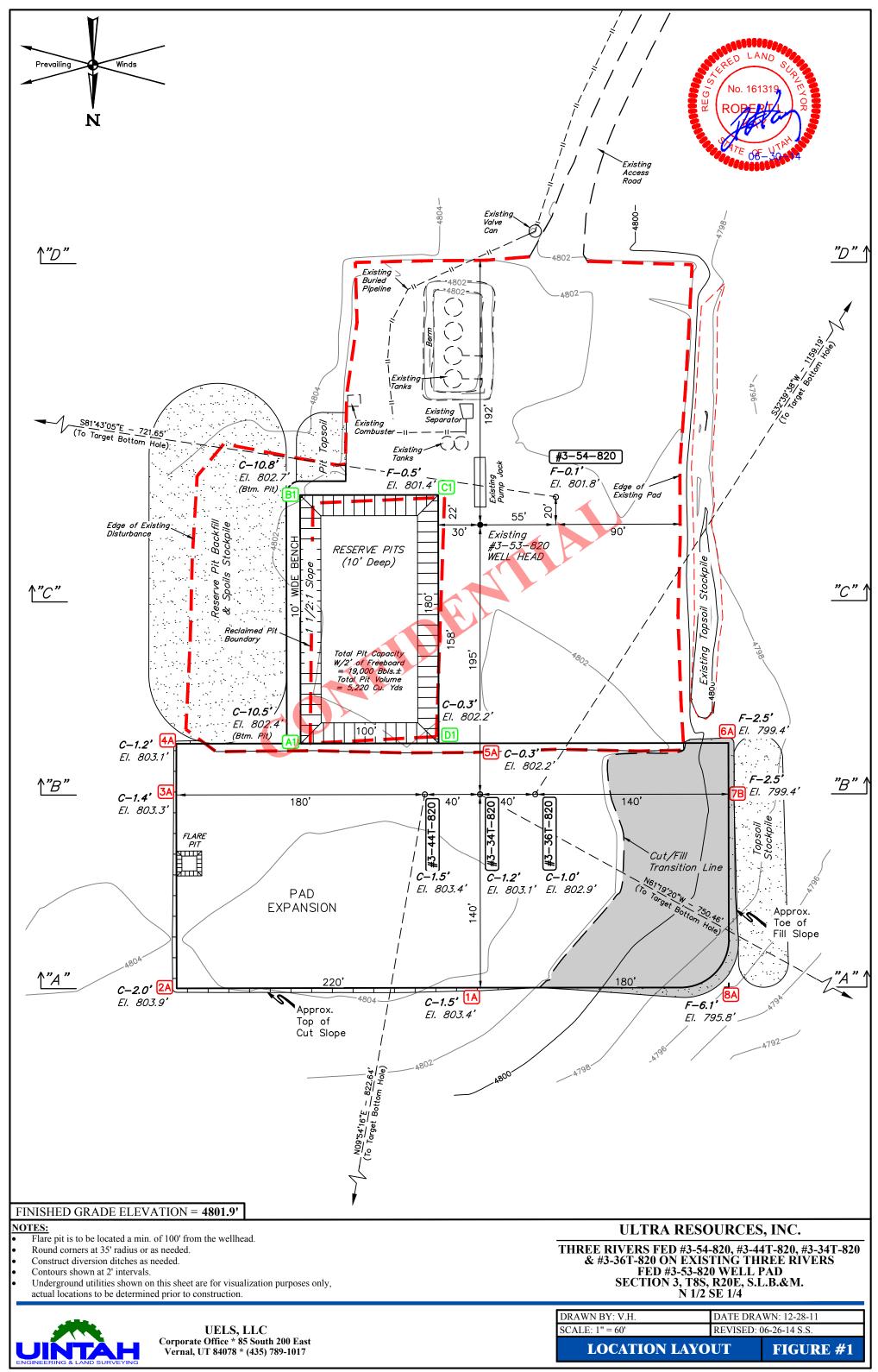
The adjacent drilling unit boundary is covered by the same lease and has the identical production interest owners in it.

Ultra owns 100% of the leasehold within 460 feet of the surface and target location as well as all points along the intended well bore path.

Thank you very much for your timely consideration of this application. Please feel free to contact me at 303-645-9810 should you have any questions or need additional information.

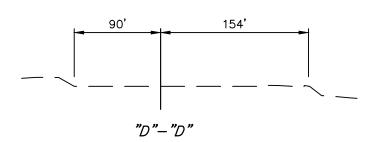
Sincerely,

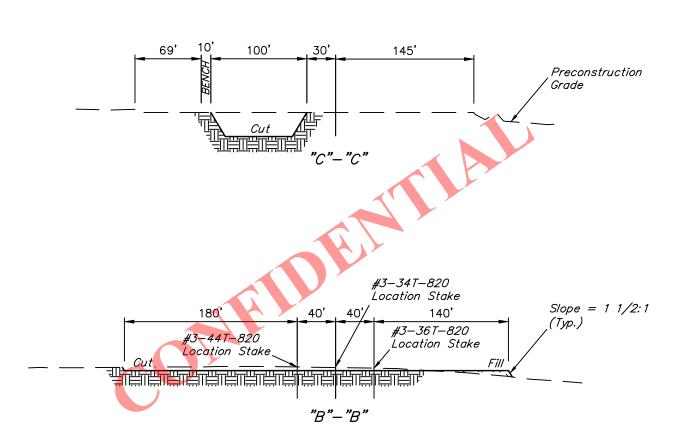
Jenna Anderson
Permitting Specialist

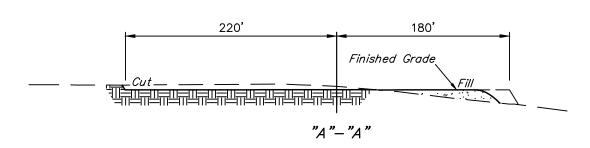


X-Section Scale
1" = 100'









APPROXIMATE EARTHWORK QUANTITIES				
(6") TOPSOIL STRIPPING	1,700 Cu. Yds.			
REMAINING LOCATION	10,120 Cu. Yds.			
TOTAL CUT	11,820 Cu. Yds.			
FILL	790 Cu. Yds.			
EXCESS MATERIAL	11,030 Cu. Yds.			
TOPSOIL & PIT BACKFILL (1/2 Pit Vol.)	4,310 Cu. Yds.			
EXCESS UNBALANCE (After Interim Rehabilitation)	6,720 Cu. Yds.			

APPROXIMATE SURFACE DISTURBANCE AREAS					
	DISTANCE	ACRES			
EXISTING WELL SITE DISTURBANCE	NA	±2.636			
EXPANSION WELL SITE DISTURBANCE	NA	±2.042			
TOTAL SURFACE USE AREA	±0'	±4.678			

#### NOTES:

Fill quantity includes 5% for compaction.

Topsoil should not be stripped below finished grade on substructure area.

6" Topsoil Stripping new construction only.

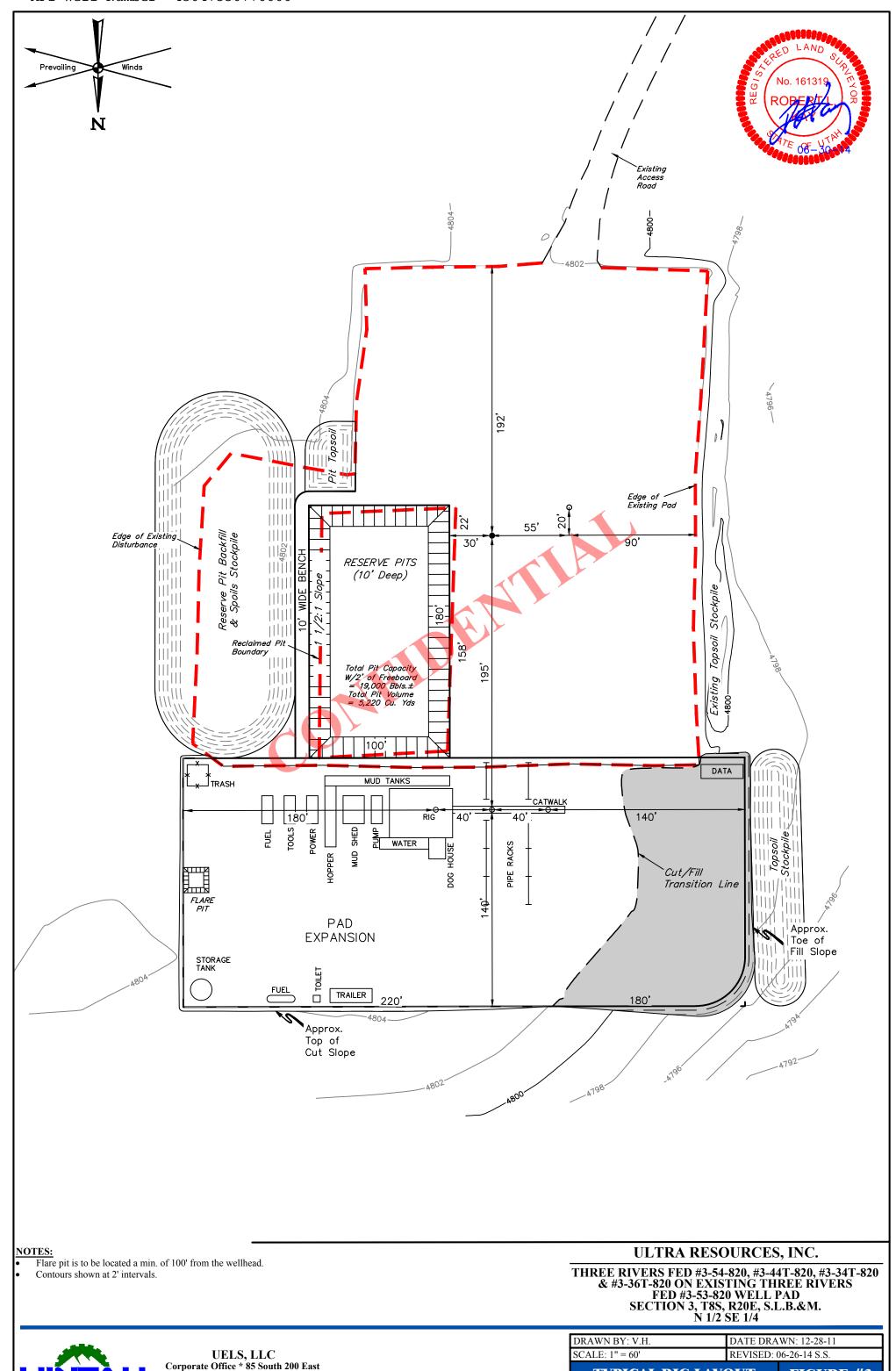
#### **ULTRA RESOURCES, INC.**

THREE RIVERS FED #3-54-820, #3-44T-820, #3-34T-820 & #3-36T-820 ON EXISTING THREE RIVERS FED #3-53-820 WELL PAD SECTION 3, T8S, R20E, S.L.B.&M. N 1/2 SE 1/4

TYPICAL CROSS SEC	TIONS FIGURE #2		
SCALE: AS SHOWN	REVISED: 05-20-14 H.W.		
DRAWN BY: V.H.	DATE DRAWN: 12-28-11		



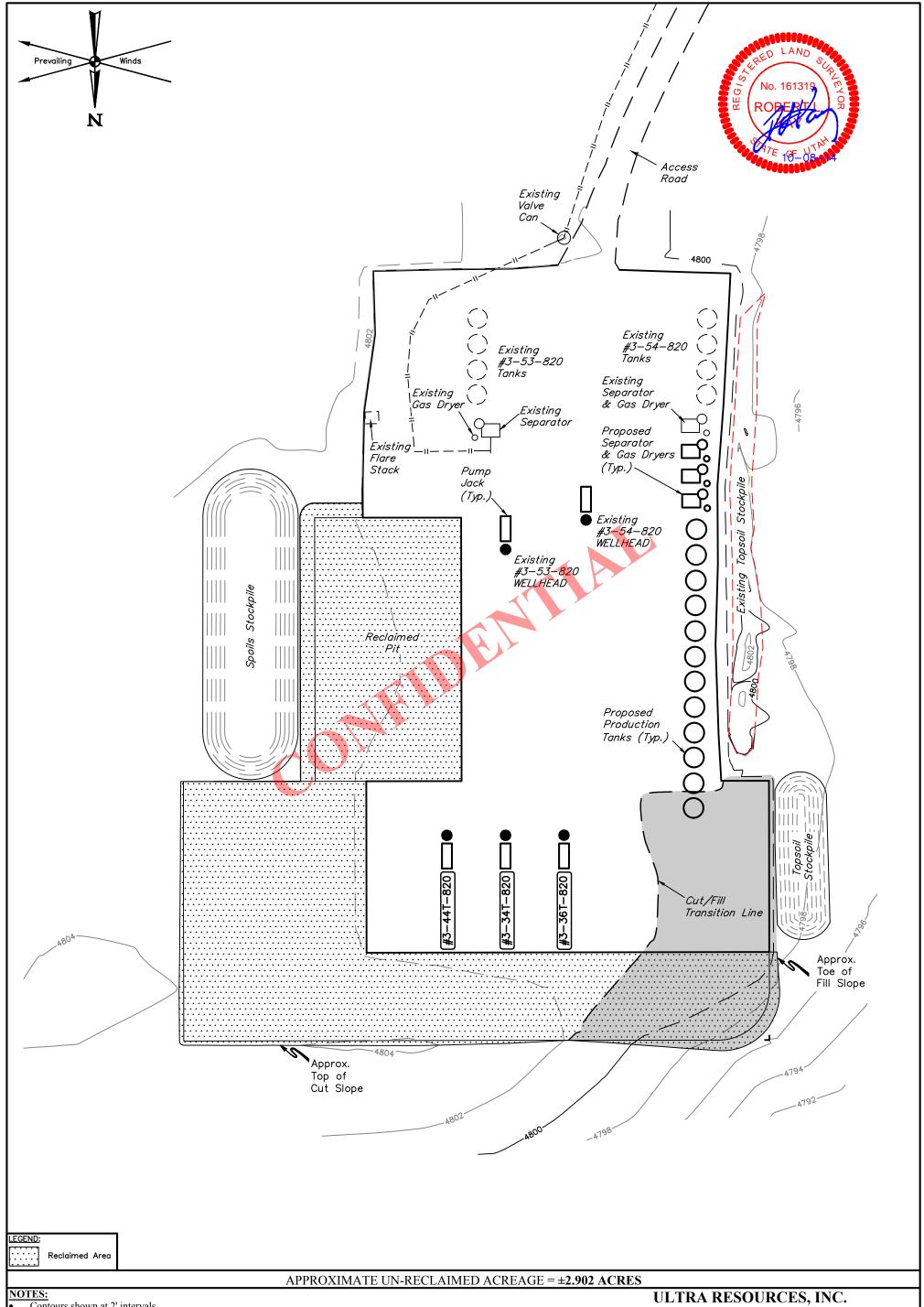
UELS, LLC Corporate Office \* 85 South 200 East Vernal, UT 84078 \* (435) 789-1017



Vernal, UT 84078 \* (435) 789-1017

FIGURE #3

TYPICAL RIG LAYOUT

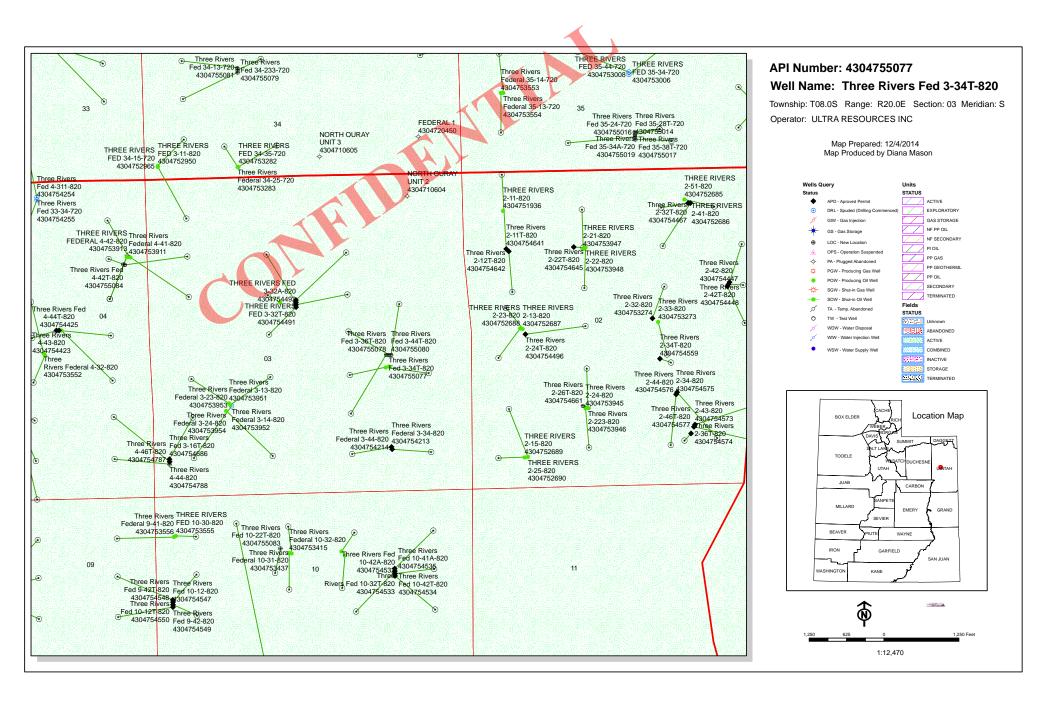


Contours shown at 2' intervals.

THREE RIVERS FED #3-54-820, #3-44T-820, #3-34T-820 & 3-36T-820 ON EXISTING THREE RIVERS FED #3-53-820 WELL PAD SECTION 3, T8S, R20E, S.L.B.&M. N 1/2 SE 1/4

DRAWN BY: H.W. DATE DRAWN: 10-06-14 SCALE: 1" = 60' REVISED: 00-00-00

PRODUCTION FACILITY LAYOUT FIGURE #4



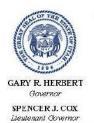
#### **WORKSHEET** APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 11/25/2014 API NO. ASSIGNED: 43047550770000 WELL NAME: Three Rivers Fed 3-34T-820 **OPERATOR: ULTRA RESOURCES INC (N4045) PHONE NUMBER:** 435 719-2018 **CONTACT:** Don Hamilton PROPOSED LOCATION: NESE 03 080S 200E Permit Tech Review: **SURFACE: 2308 FSL 1322 FEL Engineering Review: BOTTOM: 2620 FNL 1980 FEL** Geology Review: **COUNTY: UINTAH LATITUDE**: 40.15086 LONGITUDE: -109.64986 **UTM SURF EASTINGS: 614995.00** NORTHINGS: 4445375.00 FIELD NAME: THREE RIVERS LEASE TYPE: 1 - Federal LEASE NUMBER: UTU87342 UTU85994 PROPOSED PRODUCING FORMATION(S): GREEN RIVER - LOWER SURFACE OWNER: 1 - Federal **COALBED METHANE: NO RECEIVED AND/OR REVIEWED: LOCATION AND SITING:** ✓ PLAT R649-2-3. Bond: FEDERAL - UTB000593 Unit: Potash R649-3-2. General Oil Shale 190-5 Oil Shale 190-3 R649-3-3. Exception **Drilling Unit** Oil Shale 190-13 Board Cause No: Cause 270-02 Water Permit: 43-10988 Effective Date: 11/9/2013 **RDCC Review:** Siting: 2 WELLS PER 40 ACRES Fee Surface Agreement Intent to Commingle R649-3-11. Directional Drill **Commingling Approved** 

Comments: Presite Completed

4 - Federal Approval - dmason Stipulations:

15 - Directional - dmason



### State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

#### Permit To Drill

\*\*\*\*\*\*

Well Name: Three Rivers Fed 3-34T-820

**API Well Number:** 43047550770000

Lease Number: UTU87342 UTU85994

Surface Owner: FEDERAL Approval Date: 12/8/2014

#### Issued to:

ULTRA RESOURCES INC, 304 Inverness Way South #295, Englewood, CO 80112

#### Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 270-02. The expected producing formation or pool is the GREEN RIVER - LOWER Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

#### **Duration:**

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

#### General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### **Conditions of Approval:**

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

#### **Notification Requirements:**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil &

#### Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
  - Requests to Change Plans (Form 9) due prior to implementation
  - Written Notice of Emergency Changes (Form 9) due within 5 days
- $\bullet$  Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
  - Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas Form 3160-3 (August 2007)

## RECEIVED

**UNITED STATES** DEPARTMENT OF THE INTERIOR

NOV 06 2014

FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

## BUREAU OF LAND MANAGEMENT

BUREAU OF LAND	5. Lease Serial No. UTU85994			
APPLICATION FOR PERMIT	TO DRILL OR RE	ENTER	6. If Indian, Allottee or Trib	e Name
1a. Type of Work:	CONFID	ENTIAL	7. If Unit or CA Agreement	, Name and No.
1b. Type of Well:  Oil Well  Gas Well  Oth	ner 🔲 Sing	le Zone Multiple Zone	Lease Name and Well No     THREE RIVERS FED	
2. Name of Operator Contact: ULTRA RESOURCES, INC E-Mail: starpoin	DON S HAMILTON t@etv.net		9. API Well No. 43-047-5	5077
3a. Address 304 INVERNESS WAY SOUTH, STE 295 ENGLEWOOD, CO 80112	3b. Phone No. (included Ph: 435-719-2018) Fx: 435-719-2018	3	10. Field and Pool, or Explo UNKNOWN	oratory
4. Location of Well (Report location clearly and in accorda	nce with any State requi	rements.*)	11. Sec., T., R., M., or Blk.	and Survey or Area
At surface NESE 2308FSL 1322FEL 4 At proposed prod. zone SWNE 2620FNL 1980FEL	•		Sec 3 T8S R20E Me SME: BLM	or SLB
14. Distance in miles and direction from nearest town or post of 27 MILES SOUTHWEST OF VERNAL UT	office*		12. County or Parish UINTAH	13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in La		17. Spacing Unit dedicated	to this well
1322	1817.57	RECEIVED	40.00	
18. Distance from proposed location to nearest well, drilling,	19. Proposed Depth	SFP 9 1 2015	20. BLM/BIA Bond No. on	file
completed, applied for, on this lease, ft.	1 0904 MD		UTB000593	
21. Elevations (Show whether DF, KB, RT, GL, etc. 4803 GL	22. Approximate tian 11/20/2014	COL, GASE MINING	23. Estimated duration 60	
	24. Atta	chments		
The following, completed in accordance with the requirements of	f Onshore Oil and Gas O	rder No. 1, shall be attached to the	his form:	
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest Syste SUPO shall be filed with the appropriate Forest Service Off</li> </ol>		Bond to cover the operation Item 20 above).     Operator certification     Such other site specific informathorized officer.		•
25. Signature (Electronic Submission)	Name (Printed/Typed) DON S HAMIL1	ON Ph: 435-719-2018		Date 11/06/2014
Title PERMITTING AGENT				
Approved by (Signature)	Name (Printed/Typed)	Jerry Kencz	ka	SEP 1 5 2015
Title Assistant Field Manager Lands & Mineral Resources	Office <b>VE</b>	RNAL FIELD OFFIC	E	
Application approval does not warrant or certify the applicant hotoperations thereon.  Conditions of approval, if any, are attached.		e to those rights in the subject lea	ase which would entitle the app	licant to conduct
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, n States any false, fictitious or fraudulent statements or representati	nake it a crime for any pe	erson knowingly and willfully to	make to any department or ago	ency of the United

Additional Operator Remarks (see next page)

Electronic Submission #276642 verified by the BLM Well Information System
For ULTRA RESOURCES, INC, sent to the Vernal
Committed to AFMSS for processing by STEVE HIRSCHI on 11/13/2014 (15STH0038AE)

MOTICE OF APPROVAL

#### **Additional Operator Remarks:**

Directional well, Lease #UTU87342. Wellbore also enters Lease #UTU85994.

Surface ownership? Federal under the management of the BLM, Vernal Field Office.

Mineral ownership? Federal under the management of the BLM, Vernal Field Office.



# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL, UT 84078

(435) 781-4400



#### CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

Ultra Resources Inc.

170 South 500 East

Well No: API No:

3-34T-820 43-047-55077 Location:

NESE, Sec. 3, T8S, R20E

Lease No:

UTU85994

Agreement:

NA

**OFFICE NUMBER:** 

(435) 781-4400

OFFICE FAX NUMBER:

(435) 781-3420

## A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

#### NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	<ul> <li>Forty-Eight (48) hours prior to construction of location and access roads.</li> </ul>
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	<ul> <li>Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <u>blm_ut_vn_opreport@blm.gov</u></li> </ul>
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	<ul> <li>Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.</li> </ul>

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## SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO<sub>x</sub> per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO<sub>x</sub> per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop
  work and contact the Authorized Officer (AO). A determination will be made by the AO as to what
  mitigation may be necessary for the discovered paleontologic material before construction can
  continue.
- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horse power must not emit more than 2 grams of NOx per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower-hour.
- All vehicles and equipment shall be cleaned either through power-washing, or other approved
  method, if the vehicles or equipment were brought in from areas outside the Uinta Basin,
  to prevent weed seed introduction.
- All contaminated and/or stained soils will be cleaned up immediately when noticed. The contaminated/stained soil will be removed and disposed of properly.
- Ultra will submit their site specific reclamation plan per each well pad with 90 days of starting location construction.

#### <u>Applicant Committed Environmental Protection Measures (ACEPMS)</u>

#### **Air Quality**

- Ultra will commit to the following measures to reduce emissions and minimize impacts to Air Quality:
- All internal combustion equipment would be kept in good working order.
- Water or other approved dust suppressants would be used at construction sites and along roads, as determined appropriate by the Authorized Officer. Dust suppressant such as magnesium chloride or fresh water may be used, as needed, during the drilling phase to control fugitive dust from truck traffic.
- Open burning of garbage or refuse would not occur at well sites or other facilities.
- Drill rigs would be equipped with Tier II or better diesel engines, if available.

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- Low bleed pneumatics would be installed on separator dump valves and other controllers. The use of low bleed pneumatics would result in a lower emission of VOCs.
- During completion, flaring would be limited as much as possible. Production equipment and gathering lines would be installed as soon as possible. Production equipment and gathering lines would be installed as soon as possible.
- Telemetry will be installed to remotely monitor and control production. This will reduce truck traffic and decrease associated dust and tailpipe emissions.
- Signs will be installed on the access road reducing speed to 25 MPH, during the drilling phase to decrease fugitive dust form truck traffic.

#### **Cultural Resources**

Ultra would require that their personnel, contractors, and subcontractors to comply with Federal regulations intended to protect archeological and cultural resources.

#### **Personnel Conduct**

- Project personnel and contractors would be educated on and subject to the following requirements:
- No dogs or firearms within the Project Area.
- No littering within the Project Area.
- Smoking within the Project Area would only be allowed in off-operator active locations or in specifically designated smoking areas. All cigarette butts would be placed in appropriate containers and not thrown on the ground or out windows of vehicles; personnel and contractors would abide by all fire restrictions orders.
- Campfires or uncontained fires of any kind would be prohibited.
- Portable generators used in the Project Area would have spark arrestors.

#### **Best Management Practices**

Ultra will commit to the following Best Management Practices (BMP) during the construction, drilling and production of the wells:

- As necessary during construction operations, appropriate BMP sedimentation controls would be utilized at areas susceptible to erosion.
- Energy dissipaters, such as straw bales and silt fences, would be utilized where the possibility of
  erosional down-cutting exists. These structures would be installed prior to construction, and would
  be left in place and maintained for the life of the project or until the adjacent disturbed slopes have
  re-vegetated and stabilized.

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- Project vehicles would be restricted to use of the project-related travel routes and surfaces along approved travel routes.
- Re-grading and watering of the access routes would be performed by Ultra following inclement weather conditions

## DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

- Cement for the Surface casing will be circulated to the surface.
- Cement for the production casing shall be brought up to a minimum of 200 feet above the surface casing shoe.
- Variances shall be granted as requested in Section 12 of the Drilling Program for the air drilling of the surface hole and for the FIT.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

#### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily
  drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order
  No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a
  test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's
  log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.

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- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is
  encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal
  Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in CD (compact disc) format to the Vernal BLM Field Office. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

#### **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at <a href="https://www.ONRR.gov">www.ONRR.gov</a>.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
  notified when it is placed in a producing status. Such notification will be by written communication
  and must be received in this office by not later than the fifth business day following the date on
  which the well is placed on production. The notification shall provide, as a minimum, the following
  informational items:
  - o Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).

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- o Date well was placed in a producing status (date of first production for which royalty will be paid).
- o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
- o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
- o Unit agreement and/or participating area name and number, if applicable.
- o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be
  reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported
  verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will
  be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of
  Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office
  Petroleum Engineers will be provided with a date and time for the initial meter calibration and all
  future meter proving schedules. A copy of the meter calibration reports shall be submitted to the
  BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid
  hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall
  be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a

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suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior approval
  of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
  approval of the BLM Vernal Field Office shall be obtained and notification given before resumption
  of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office
  Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, inorder that a representative may witness plugging operations. If a well is suspended or abandoned,
  all pits must be fenced immediately until they are backfilled. The "Subsequent Report of
  Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of
  the well bore, showing location of plugs, amount of cement in each, and amount of casing left in
  hole, and the current status of the surface restoration.



### State of Utah

#### **DEPARTMENT OF NATURAL RESOURCES**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

February 4, 2016

Ultra Resources Inc. 116 Inverness Dr. E Ste. 400 Englewood, CO 80112

Re: APDs Rescinded for Ultra Resources, Inc. Uintah County

Ladies and Gentlemen:

Enclosed find the list of APDs that you asked to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded effective February 4, 2016.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

**Environmental Scientist** 

cc:

Well File

Bureau of Land Management, Vernal



- 43-047-55015 Three Rivers Fed 35-42T-720
- 43-047-55017 Three Rivers Fed 35-38T-720
- 43-047-55018 Three Rivers Fed 35-41-720
- 43-047-55020 Three Rivers Fed 35-31-720
- 43-047-55021 Three Rivers Fed 35-32T-720
- 43-047-55077 Three Rivers Fed 3-34T-820
- 43-047-55078 Three Rivers Fed 3-36T-820
- 43-047-55080 Three Rivers Fed 3-44T-820
- 43-047-55084 Three Rivers Fed 4-42T-820
- 43-047-55085 Three Rivers Fed 3-12T-820
- 43-047-55016 Three Rivers Fed 35-24-720
- 43-047-55014 Three Rivers Fed 35-28T-720
- 43-047-54788 Three Rivers 4-44-820
- 43-047-55082 Three Rivers Fed 10-21T-820
- 43-047-55083 Three Rivers Fed 10-22T-820
- 43-047-55019 Three Rivers Fed 35-34A-720